FRITO-LAY, INC.

ANNUAL REPORT

FOR THE YEAR ENDED AUGUST 31, 1963

Cover: Frito-Lay is a company with its roots "down on the farm" as typified by the cover picture of a farmer and a company agricultural buyer inspecting a corn harvest. The raw materials for Frito-Lay are supplied by many, many farmers from coast to coast. Frito-Lay products are made from such agricultural produce as potatoes, corn, carrots, peppers, onions, beans, peas, tomatoes, peanuts, pecans, beef, poultry, and pork. Vegetable oils used come from processed agricultural products including corn, peanuts, soybeans, and cottonseed.

Below: The heart of the whole distribution system is the driver-salesman.

SUMMARY OF PROGRESS

	1963 (53 Weeks)	1962 (52 Weeks)	1961 (52 Weeks)	1960 (52 Weeks)
Net sales	$165,226,031	$146,632,364	$127,447,421	$123,737,185
Income before taxes	14,202,493	11,369,313	10,004,718	8,404,884
Taxes on income	7,558,000	5,964,149	5,325,787	4,327,742
Net income	6,644,493	5,405,164	4,678,931	4,077,142
Shares of common stock outstanding at end of year	4,253,859	4,197,773	4,179,564	4,099,375
Earnings per common share:				
Before tax	3.34	2.71	2.39	2.05
Provision for income tax	1.78	1.42	1.27	1.06
Net after tax	1.56	1.29	1.12	.99
Cash dividends	2,536,716	2,094,517	1,441,509	1,278,464
Shareholders' equity	34,747,889	30,087,331	26,654,397	21,998,586
Book value per share	8.17	7.17	6.38	5.37
Net working capital	14,476,577	12,269,534	11,254,527	5,695,302
Current ratio	2.30	2.22	2.05	1.49
Property, plant and equipment:				
Cost	43,638,354	39,470,826	35,662,391	30,249,694
Accumulated depreciation	17,101,071	15,109,295	12,895,635	11,099,820
Net book value	26,537,283	24,361,531	22,766,756	19,149,874
Depreciation	3,385,092	3,038,909	2,886,477	2,481,325
Total assets	54,980,751	49,114,415	46,893,465	38,031,887

The above summary includes for all years the accounts of companies which have joined Frito-Lay, Inc. by means of "pooling of interests." The accounts of companies acquired otherwise are included from dates of acquisition. The number of shares outstanding and the per share amounts are adjusted to reflect the three-for-two stock split effective April 17, 1961.

TO THE SHAREHOLDERS:

Frito-Lay had another excellent operating year in fiscal 1963, ending August 31, and again set new records for both sales volume and profits. This progress can be traced to several interrelated factors, including updated advertising and product promotion activities, improved distribution and manufacturing methods, enlarged production facilities, improved quality control, greater efficiency in procurement, processing, packaging and handling of materials, plus the faithful efforts of more than 8,000 loyal employees. Another influence favoring this year's results was the continuous growth in the nation's snack and convenience foods business. This industry is being spurred on by a marked change in American eating habits, occasioned by additional leisure time, more home entertainment, more women at work, and the increasing prominence of the self-service method in retail outlets.

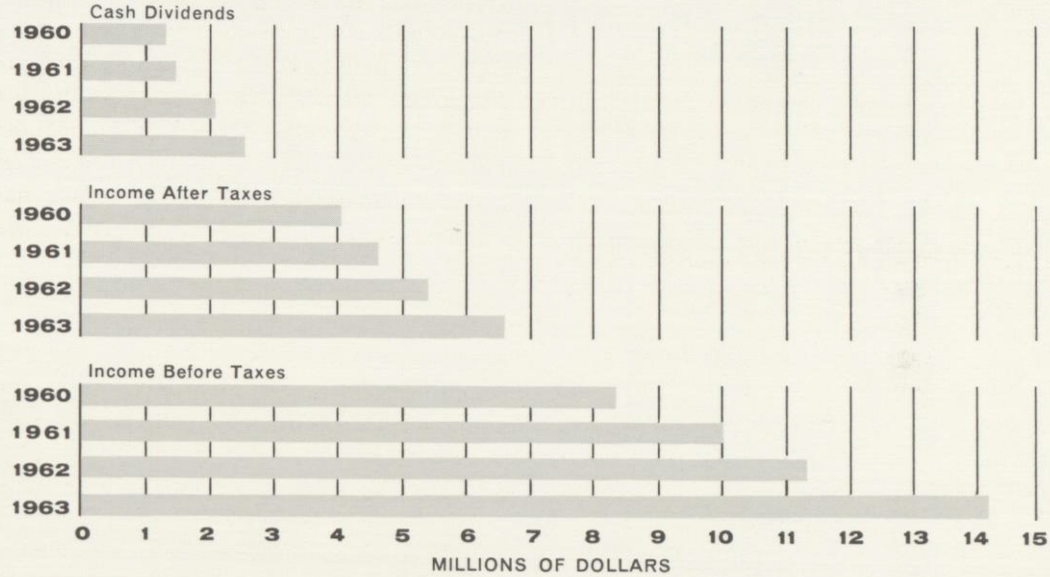
FINANCIAL RESULTS

Net earnings for the fiscal year '63 (53 weeks)* were $6,644,493. This amounts to a 23% increase over the $5,405,164 earned last fiscal year (52 weeks). On a per share basis, the earnings for the year were $1.56 compared with $1.29 for last year, based on 4,253,859 shares and 4,197,773 shares outstanding at the end of the respective fiscal years. The annual dividend rate of 60¢ per share paid during the fiscal year amounted to $2,536,716 in cash dividends to shareholders. The Board of Directors, on September 17, 1963, voted to increase the dividend payment to 17½¢ per share for the first quarter of fiscal 1964.

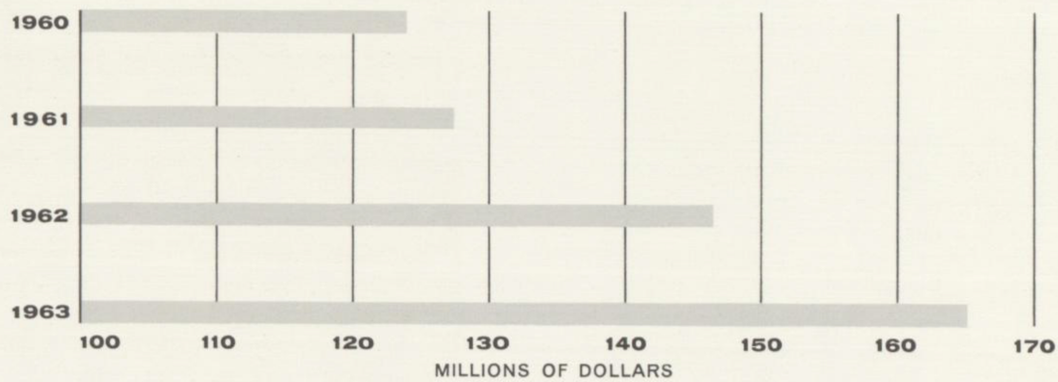
The net results of the year's operations strengthened the company's financial condition in that long-term indebtedness was lowered, and both working capital funds and shareholders' equity were increased. (See Summary on Page 1). In keeping with the company's policy, a significant portion of current earnings was retained in the business for buying new and improved facilities to assure the continual expansion and growth of the company. The following statement shows how the company has generated funds and how it has used this money to increase its working capital position by $2,207,043.

*The company follows the widely recognized practice in the food industry of accounting for its operations on 13 four-week periods; hence, once each five or six years the fiscal year is 53 weeks instead of the normal 52.

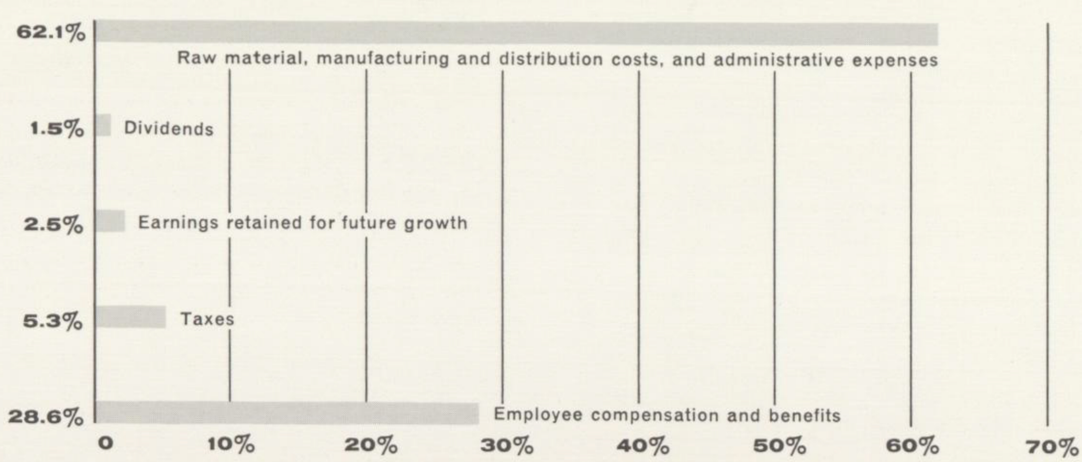
INCOME AND CASH DIVIDENDS



SALES GROWTH



DISTRIBUTION OF THE 1963 SALES DOLLAR



CONSOLIDATED STATEMENT OF SOURCE AND USE OF WORKING CAPITAL FUNDS
(In Thousands of Dollars)

	53 weeks ended August 31, 1963	52 weeks ended August 25, 1962
Funds were generated during the year from:		
Operations —		
Net income	$ 6,644	$ 5,405
Depreciation of fixed assets	3,385	3,039
Federal income tax not payable until future years	679	659
	10,708	9,103
Purchase of common stock by key employees under stock option plan	553	122
	11,261	9,225
Funds were used to:		
Acquire and improve operating facilities and equipment	5,561	4,634
Acquire other assets	372	337
Reduce long-term indebtedness	585	1,145
Pay cash dividends	2,536	2,094
	9,054	8,210
Increase in working capital	$ 2,207	$ 1,015

MARKETING

Net sales for the 53-week year ending August 31, 1963 were $165,226,031. This is an increase of 13% over the net sales for the previous 52-week fiscal year which totaled $146,632,364. National distribution of round FRITOS corn chips was completed, as scheduled, during the year. Consolidation of the several brands of cheese flavored puffs into a single brand name, CHEE•TOS, was effected, thus permitting the product to be advertised on a national basis. The brand name BAKEN-ETS was established throughout the country for fried pork rinds, and ROLD GOLD pretzels gained nationwide distribution. LAY'S, the company's leading potato chip brand, was extended into the markets of the Southwestern and Mid-Western divisions and into parts of the Northwestern and Eastern divisions.

Advertising and promotional programs for both national and regional brand products were strengthened. National nighttime TV, color TV and magazine advertising space were utilized and each met with gratifying results. The Frito-Lay corporate symbol, which was adopted last year, was embodied in all product packaging, advertising, point of sale material, outdoor signs, and in the identification of company trucks, plants and distribution centers.

Above: The assurance of quality — This inspection operation is a typical scene in any Frito-Lay plant.

Right: This is the most modern way to package potato chips.


Lay's
POTATO CHIPS

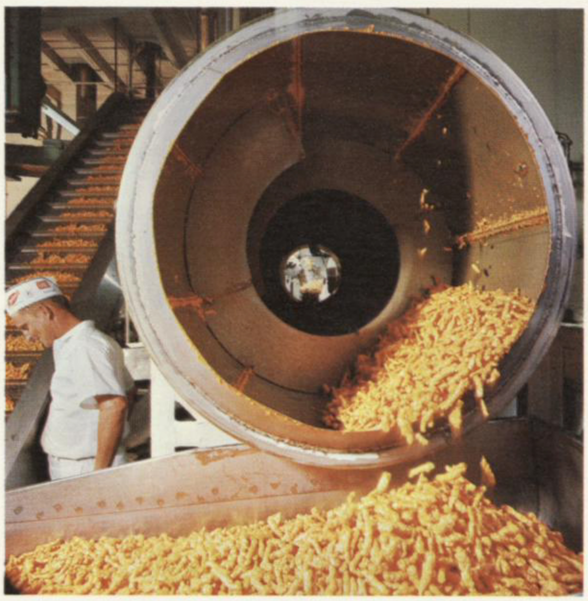
These advertising activities and the widespread use of the corporate symbol are bringing about a greater consumer and community awareness of the company and its products. All of these efforts, management believes, have brought and will continue to bring to the company its share of the food dollar spent by the typical American family.

FACILITIES

The company continued during the year its program for modernization of production and distribution facilities. These improvements assure the consistent production of high quality products and their ready availability in retail outlets at competitive prices. Expenditures for facilities in fiscal 1963 amounted to $5,560,844, compared with $4,633,684 last year. These improvements were financed by use of net earnings not paid to shareholders as dividends and by funds created through depreciation.

The company now has 42 plants located in various parts of the United States, one in Canada, and an interest in five in Europe. The Indianapolis plant, which was partially destroyed by fire during the year was converted from a potato chip facility to a modern FRITOS corn chip operation. Potato chip production capacity in the Washington, D. C. plant was doubled, and at the year's end construction was under way to double also the FRITOS corn chip capacity in this same plant. Work was completed during the year to provide additional production and warehouse space at the Madison, Wisconsin and Council Bluffs, Iowa plants, and to provide for the production of dry roasted peanuts at the Chamblee, Georgia plant. The marketing of this new company product will be started in the latter part of calendar year 1963. Also during the year the company's entire fleet of sales route trucks and over-the-road transport vans was painted in uniform corporate colors, and a new corporate sign was placed at each plant and distribution center to reflect Frito-Lay identification.

Land for possible future plant sites was acquired in Detroit, Michigan; San Jose, California; and Orlando, Florida. Land adjoining the Houston, Texas plant was purchased for future expansion.



Above: As puffs of corn come dancing through this cylinder, liquid cheese is sprayed on them from all sides. Then a ladder-conveyor moves these popular CHEE•TOS cheese flavored puffs along to the packaging machines.

Left: These curlicues of deep-fried pork rind slide down a chute into a moisture-proof bag. These tidbits are called BAKEN-ETS.

OVERSEAS OPERATIONS

Overseas operations now involve a controlling stock interest in Crimpy Crisps Ltd., with plants in London and Scotland, and a 50% interest in the

Before a new product reaches the consumer, it goes through many hours of research and a series of taste tests. Behind these little cubbyholes a group of experts does tasting and grading.

Heinz Flessner K.G. partnership, with three plants in West Germany. Potato chips is the major item of production in all of these plants. In September, 1962 corn chip machinery was installed in the Crimpy Crisps plant in London. FRITOS corn chips are now being introduced on a gradual market expansion basis in Britain and in West Germany. The FRITOS corn chips for the German markets are supplied by the London plant. During the year, a licensee for the FRITOS trademark was established in Johannesburg, South Africa and corn chip machinery was placed in operation there in April, 1963. Distribution of the product was started in the markets of South Africa in May of this year. The company has no investment in this operation but will receive a royalty on the corn chips sold in the area under the FRITOS trademark.

These overseas activities are small in relation to the company's total operations; however, they are a significant factor in the market expansion of company products and are showing gradual improvement in operating methods, product quality and sales volume. The future looks promising for these activities because of the increasing acceptance of snack food products in overseas markets. The company continues to have inquiries from other parts of the world about further expansion of its operations. It will investigate areas which appear attractive.

RESEARCH

The research department's activities were expanded during the year; its staff was strengthened, and more utilization was made of outside technical consultants. The company continues to place great emphasis on research in the area of raw materials — particularly in the field of agriculture — and in the areas of new product development and process methods. Potato chips, corn chips and pretzels, the company's major products, are only a part of the large snack foods industry. Management is keenly aware of the high degree of interchangeability and substitutive nature of snack food products due to the ever fluctuating tastes of consumers. It therefore recognizes the dynamic changes in technology that are involved in the development and distribution of snack food items and the possibilities for consumer acceptance of new products in this field.

Raw Materials Development and Improvement. This area of research is divided into two main parts: (a) agricultural experiments, done jointly with farmers, and genetic programs for potatoes and corn conducted on the company's experimental lands and in its laboratories, and (b) cooperative projects with suppliers in the search for improved vegetable oils and packaging materials. Sixteen trials, conducted in cooperation with local potato growers, in ten major potato producing territories in the United States have shown promising results from seeds that have been developed through the company's breeding program. Current research in corn breeding shows good promise of supplying an improved hybrid corn seed. These seeds, as proven, are made available to potato and corn farmers.

New Products. Research in the field of new products is a joint venture between research technicians and the marketing organization. The task of the marketing organization is to keep in touch with the ever changing habits of the American family and to work with the research technicians in fulfilling these consumer demands. A number of projects for the development of new products are in late stages of research. Several are ready for consumer evaluation tests, and two are ready for extensive market testing. In addition, one new canned food item will soon be placed on the consumer market by the Austex Foods Division.

Process and Product Improvement. New ways and means of improving process methods and the quality of presently manufactured products are important research functions. A new process for an established snack food item has been developed, and patent applications have been filed in the United States and in twelve other countries. Results of other research projects, which now appear reasonably certain of success, will be beneficial in the near future in the manufacture of the company's present major snack food products.

INDUSTRIAL RELATIONS

The industrial relations program of the company, which was started several years ago by the establishment of a well-rounded employee benefit plan, including life, health and accident insurance and retirement benefits, was enlarged and strengthened during the year to provide facilities for more and easier communication between employees and all levels of supervision. An industrial relations manager was named, and directors of employee benefits, personnel administration and on-the-job training were appointed. These changes will assist field management in the functions of employee

selection, placement, indoctrination, on-the-job training and compensation plans, and in the development of employee-supervisor communication methods.

Management is proud of the company's employees and is grateful for their cooperation and support. The company will continue to research all industrial relations functions in order to provide at all times, to the extent possible, the utmost in modern and safe working conditions, sound compensation plans, and up-to-date benefit programs and training methods. During the year a total of $47,226,186 was paid to employees for salaries, wages and commissions, and to defray the cost of benefit programs. This represented approximately 28.6% of the company's net dollar sales.

FEDERAL TRADE COMMISSION

The Federal Trade Commission continues to request information from the company and to make inquiries of competitors, suppliers and customers relative to certain mergers, acquisitions and operating changes. It has also inquired about the company's advertising and promotional programs. The inquiries of the Commission were begun in 1958. Management, both directly and through its legal counsel, has cooperated in every way possible with the staff of the Commission in supplying requested materials and data. The Commission's staff continues to ask for these materials and it is not unlikely that some form of complaint against the company's acquisitions and activities will be issued. However, legal counsel assures management that in its opinion the company has not violated and is not violating any Federal statutes.

DIRECTOR AND OFFICER CHANGES

In December, 1962, Mr. R. A. Goodson of New York, Vice President of Operations for American Telephone and Telegraph Company, was elected a member of the Board of Directors to replace Mr. H. H. Rousseau who resigned because of ill health. Mr. Goodson is known nationally for his business and civic activities.

Mr. J. W. Sandifer, well experienced in overseas markets, joined the company in June as Vice President for International Operations. Near the end of the year, Messrs. Fred W. Catterall, Jr. and Gordon Mills, Vice President and General Manager, respectively, of the Austex Foods Division, retired and Mr. George Boedeker was named Vice President of that division. The head-

Above: In this lab section the characteristics of various types of potatoes, corn, and other agricultural produce are studied constantly.

Right: A conference room display of some of the company's products is studied by corporate officers.

Lay's
ECONOMY PACKAGE
Fritos
Ruffles
POTATO CHIPS
BEAN dip
CHICKEN LIVER dip
AUSTEX
enchiladas
barbecue sauce
beef stew
beef tamales
chili
brunswick stew
spaghetti meatballs
BARBECUED BEEF
TAMALES
CHILI
CHOPPED BARBECUED BEEF With Sauce
MEXENE
CHILI POWDER
CHILI NO BEANS
chili WITHOUT BEANS
FRIED PORK RINDS
ROLD GOLD
PARTY PAK!
PRETZELS
7 OZ. NET WT.
PRETZEL STIX
Cheetos
Chee·tos
BAKED
10¢
25¢
39¢
49¢

quarters and sales management of the division were moved from Austin, Texas to Dallas.

At the beginning of the 1964 fiscal year, Mr. Joe Matthews was appointed Zone Vice President for the Northeastern Zone which embodies the Mid-Central and Eastern divisions as well as the Canadian operations. Zone headquarters will be in New Jersey. Mr. Matthews was formerly President of Rold Gold Foods, Inc., a wholly owned subsidiary. Mr. Ken Froelich was elected President of Rold Gold effective September, 1963. Mr. Lamar Lovvorn was elected Secretary and Treasurer, replacing Mr. George P. Parker, Treasurer, who is scheduled for retirement early in the 1964 fiscal year. Mr. B. D. Prowell was elected Controller, replacing Mr. Lovvorn. Mr. R. O. Rehkopf, founder of Frito Midwest Company, a licensee operation which was merged with Frito-Lay in 1961, decided to take early retirement at the end of August, and Mr. Charles Murphy replaced him as Vice President and General Manager of the Mid-Western Division. Mr. Murphy has been with the company in various positions since 1955.

OUTLOOK

The outlook for the future of the company is bright. Every effort will be made during the coming year to increase the sales volume of all products and to improve operating efficiencies at each opportunity. The broad field of snack and convenience foods offers challenging opportunities for internal growth of presently manufactured products and for the development and introduction of new snack food items. The company's sound financial position, organizational setup, and trained and experienced personnel places it in a position to grow internally. Management will be alert to attractive possibilities for diversification and expansion. The 1964 fiscal year should be another record year of accomplishments.

John D. Williamson
CHAIRMAN OF THE BOARD

Herman W. Lay
CHAIRMAN OF THE EXECUTIVE COMMITTEE AND CHIEF EXECUTIVE OFFICER

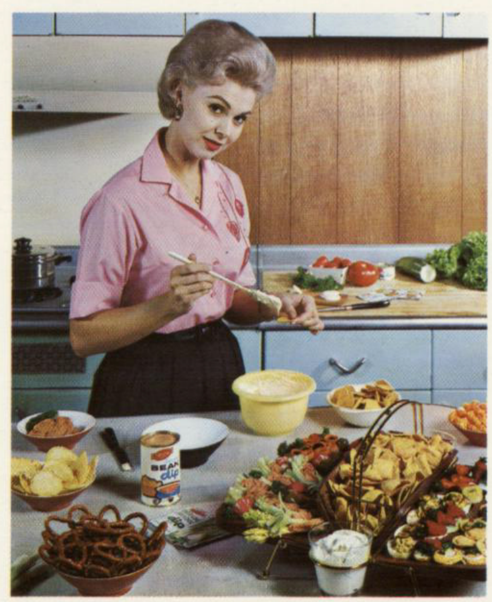
Fladger Tannery
PRESIDENT

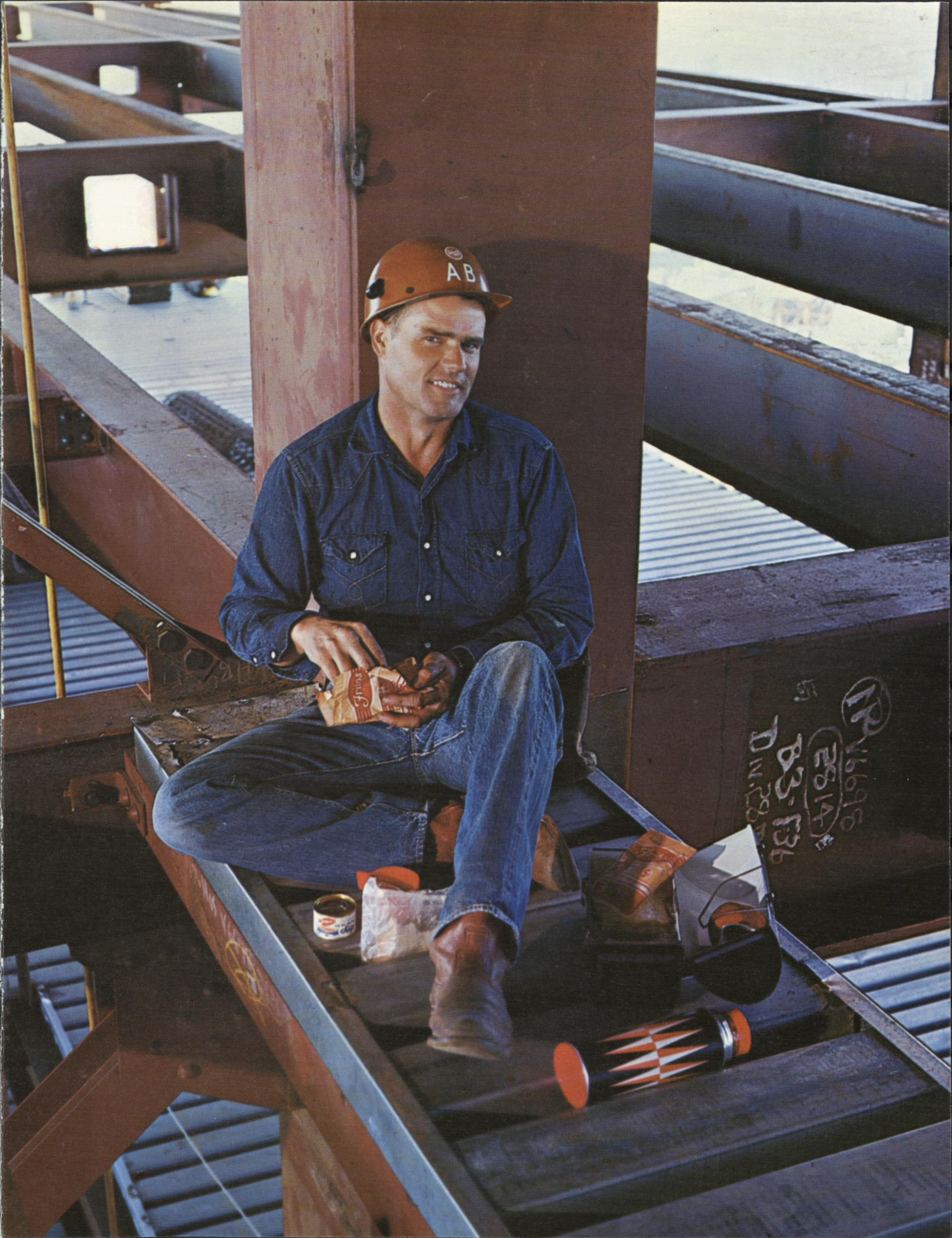
November 1, 1963

Above: The growing youngster is one of Frito-Lay's many consumers.

Right: FRITOS corn chips is a favorite food of the construction worker thirty-six floors up.

Below: All the food seen here was created by Frito-Lay (except for the vegetables on the back counter). What a spread for guests!




AB

FRITO-LAY, INC.

CONSOLIDATED BALANCE SHEET

	August 31, 1963	August 25, 1962
ASSETS		
Current assets:		
Cash and U.S. government securities	$ 9,034,119	$ 7,485,025
Accounts receivable, less allowances	7,662,323	6,834,965
Inventories, at lower of cost (first-in, first-out or average basis) or market:		
Finished goods	4,282,426	4,138,267
Raw materials, supplies and other	3,851,197	3,430,524
	8,133,623	7,568,791
Prepaid expenses	780,318	402,672
Total current assets	25,610,383	22,291,453
Property, plant and equipment, at cost (note 2)	43,638,354	39,470,826
Less accumulated depreciation	17,101,071	15,109,295
	26,537,283	24,361,531
Trademarks, patents and formulas	1	1
Deferred charges, intangibles and other assets	2,833,084	2,461,430
	$54,980,751	$49,114,415
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 6,644,591	$ 6,222,768
Federal income tax	4,418,715	3,652,183
Long-term debt due within one year	70,500	146,968
Total current liabilities	11,133,806	10,021,919
Long-term debt due after one year (note 3)	6,910,000	7,495,064
Deferred federal income tax (note 5)	2,189,056	1,510,101
Shareholders' equity:		
Common stock, $2.50 par value; authorized 5,000,000 shares, outstanding: 1963 — 4,253,859 shares; 1962 — 4,197,773 shares (note 4)	10,634,647	10,494,432
Capital in excess of par value (note 4)	489,331	76,765
Retained earnings (note 3)	23,623,911	19,516,134
	34,747,889	30,087,331
	$54,980,751	$49,114,415

See accompanying notes.

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

	53 Weeks Ended August 31, 1963	52 Weeks Ended August 25, 1962
Net sales	$165,226,031	$146,632,364
Cost of goods sold, selling and administrative expenses (exclusive of depreciation and interest)	147,215,928	131,747,086
Depreciation	3,385,092	3,038,909
Interest expense	422,518	477,056
	151,023,538	135,263,051
Income before federal income tax	14,202,493	11,369,313
Provision for federal income tax (includes deferred tax of $678,955 in 1963 and $658,539 in 1962) (note 5)	7,558,000	5,964,149
Net income	6,644,493	5,405,164
Retained earnings at beginning of year	19,516,134	16,205,487
	26,160,627	21,610,651
Cash dividends — $0.60 per share in fiscal 1963 and $0.50 per share in fiscal 1962	2,536,716	2,094,517
Retained earnings at end of year (note 3)	$ 23,623,911	$ 19,516,134

See accompanying notes.

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors
Frito-Lay, Inc.

We have examined the accompanying consolidated balance sheet of Frito-Lay, Inc. and subsidiaries at August 31, 1963 and the related consolidated statement of income and retained earnings for the fifty-three weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements mentioned above present fairly the consolidated financial position of Frito-Lay, Inc. and subsidiaries at August 31, 1963 and the consolidated results of their operations for the fifty-three weeks then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ARTHUR YOUNG & COMPANY

Dallas, Texas
October 15, 1963

NOTES TO FINANCIAL STATEMENTS

August 31, 1963

1. Principles of consolidation

The financial statements include the accounts of the domestic and Canadian subsidiaries. Overseas subsidiaries are not significant in relation to total operations and the accounts of these are not included in the consolidation.

2. Property, plant and equipment

Property, plant and equipment consisted of the following at August 31, 1963:

	Cost	Accumulated depreciation
Land	$ 2,338,412	$ —
Buildings	11,114,724	2,609,423
Machinery and sundry equipment	23,159,639	10,488,944
Transportation equipment	7,025,579	4,002,704
	$43,638,354	$17,101,071

3. Long-term debt and dividend restrictions

Long-term debt consisted of the following at balance sheet dates:

	1963	1962
5½% unsecured promissory note due March 1 of each year; $150,000 in 1965 and 1966 and $380,000 in 1967 through 1981	$ 6,000,000	$ 6,000,000
5½% mortgage note, secured by real property, due $37,500 annually on October 15, through 1981	712,500	750,000
5½% first mortgage note, secured by real property, due $33,000 annually on November 15 through 1969, with balance due November 15, 1970	268,000	301,000
Various notes	—	591,032
	6,980,500	7,642,032
Less long-term debt due within one year	70,500	146,968
	$ 6,910,000	$ 7,495,064

The provisions of the loan agreement relating to the $6,000,000 unsecured promissory note place certain restrictions on the payment of cash dividends. At August 31, 1963, $9,136,200 of retained earnings was free of the restrictive provisions.

4. Stock options and changes in capital in excess of par value

At August 31, 1963, officers and key employees held options to purchase 260,217 shares of common stock, including 203,241 shares which were then exercisable; the balance becomes exercisable on varying dates through 1967. The plans under which these options were granted have expired. No shares were reserved at August 31, 1963 for future grants.

Changes during the year ended August 31, 1963 are summarized as follows:

	Option price per share	Options outstanding
Balance at beginning of year	$4.62 to $38.00	317,451
Options exercised	4.62 to 17.72	(56,158)
Options canceled		(1,076)
Balance at end of year	4.62 to 38.00	260,217

The excess of net proceeds over par value ($412,566) of options exercised was added to capital in excess of par value.

5. Deferred federal income tax

The Company has adopted for federal income tax purposes depreciation guidelines on certain of its equipment, effective with the filing of the 1962 tax return. As a result, $356,304 of current federal income tax in 1962 has been reclassified to deferred federal income tax.

Directors

*John D. Williamson, *Chairman of the Board*
*Chas. E. Beard, *President, Braniff Airways, Inc.*
Fred W. Catterall, Jr., *Investments*
R. V. Dancey, *Investments*
R. A. Goodson, *Vice President — Operations, American Telephone & Telegraph Co.*
Jack Johannes, *Attorney at Law*
*M. E. Kilpatrick, *Attorney, Kilpatrick, Cody, Rogers, McClatchey & Regenstein*
*Herman W. Lay, *Chairman of the Executive Committee and Chief Executive Officer*
*William B. Oliver, *Executive Vice President*
C. B. Peterson, Jr., *Executive Vice President, Republic National Bank*
*Fladger F. Tannery, *President*
Lawrence Willet, *Insurance*
George Williamson, *Administrative Vice President*

**Members of the Executive Committee*

Officers

John D. Williamson, *Chairman of the Board*
Herman W. Lay, *Chairman of the Executive Committee and Chief Executive Officer*
Fladger F. Tannery, *President*
William B. Oliver, *Executive Vice President*
Arch C. West, *Vice President — Marketing*
W. E. Freeman, *Vice President — Manufacturing*
George Williamson, *Administrative Vice President*
Lymon M. Hall, *Vice President for Sales*
John R. McCarty, *Vice President for Advertising*
James W. Sandifer, *Vice President for International Operations*
George H. Hutchings, Jr., *Vice President for Operations, Western Zone*
Jack L. Kelley, *Vice President for Operations, Mid-Western Zone*
Harold R. Lilley, *Vice President for Operations, Southeastern Zone*
†Joseph Matthews, Jr., *Vice President for Operations, Northeastern Zone*
†W. Lamar Lovvorn, *Secretary and Treasurer*
†B. D. Prowell, *Controller*

Divisional Vice Presidents

William E. Ammerman, *Mid-Atlantic Division*
W. Dan Bryant, *Southern Division*
George M. Boedeker, *Austex Foods Division*
William T. Crow, Jr., *Northwestern Division*
W. R. Dodd, *Southeastern Division*
C. George Edmonds, *Central Division*
George J. Ghesquiere, *Western Division*
Russell C. Miller, *Mid-Central Division*
Charles H. Murphy, *Mid-Western Division*
Harry M. Tunstall, *Southwestern Division*
R. L. Willis, Jr., *Eastern Division*
Joseph C. Wilson, *North Central Division*

Subsidiaries and Affiliates

The Frito Company of Canada, Limited, Ontario, Canada
Joseph D. Burke, Vice President
Rold Gold Foods, Inc., St. Louis, Missouri
†Kenneth F. Froelich, President
Heinz Flessner K. G., Frankfurt, West Germany
Heinz Flessner, Managing Partner
Crimpy Crisps Limited, London, England
David A. Sword, Managing Director

†By action of Board of Directors, September 17, 1963.

Licensees

So Good Potato Chip Company, St. Louis, Missouri
Frito Company of Hawaii, Ltd., Honolulu, Hawaii
Quix Products (Pty.), Ltd., Johannesburg, South Africa

Overseas Representatives

John K. Kealy Company, Inc., Japan
M. E. Rayfield Company, West Germany
Overseas Service Corporation, Washington, D. C.
C. Lloyd Johnson Company, New York
R. E. Lasday Company, New Orleans
Brewster, Leeds & Company, Inc., New York

EXECUTIVE OFFICES: Exchange Bank Building, 100 Exchange Park North, Dallas, Texas 75235
AUDITORS: Arthur Young & Company, Dallas, Texas
GENERAL COUNSEL: Kilpatrick, Cody, Rogers, McClatchey & Regenstein, Atlanta, Georgia
TRANSFER AGENTS: Texas Bank & Trust Co., Dallas, Texas and
Trust Company of Georgia, Atlanta, Georgia

SOUTHLAND LIFE
Fritos
Lay's
FRITO-LAY
FRITO-LAY